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## More tourists loosen purse strings in Japan

By Kathryn Wortley (<https://www.ttgasia.com/author/kathrynwortley/>) / Posted on 25 September, 2023 19:12

International tourists in Japan are spending more than ever before, with consumption at 95 per cent of pre-pandemic levels despite arrivals having reached only 85.6 per cent.

Visitors exceeded two million for the third consecutive month in August, aided by the uptick in international flights and the weak yen, according to the Japan National Tourism Organization (JNTO).



*Spending by international visitors to Japan is forecast to surge by 553.4 per cent in 2023*

The number of travellers from the US, Europe and Australia has already exceeded pre-pandemic levels, a trend believed to be driving consumption as these markets prioritise experiences, which cost more than sightseeing.

Naomi Mano, president and CEO of high-end inbound travel firm Luxuriq, says Japan is being perceived as more affordable.

"Clients are seeing that if they spend a little more, they can get a 'white glove-experience'," she told *TTG Asia*.

Fewer clients are also hiring personal guides; instead opting to use handheld translation devices and spend the money saved on additional experiences, she added.

"We're seeing a 20 per cent increase in demand for experiences in rural destinations," Mike Harris, chief refreshing officer at premier adventure travel provider Kodo Travel, told *TTG Asia*.

Outdoor experience provider Canyons Japan, which is also run by Harris, is seeing a 25 per cent increase in demand compared to 2019, he said.

The trend is encouraging for the Japanese government, which is aiming for each visitor to spend 200,000 yen (US\$1,490) on their trip in 2025, up from 160,000 yen pre-Covid.

Tourism consumption is expected to continue growing alongside the recovery of the Chinese market, which spent 1.8 trillion yen in 2019, equating to 36.8 per cent of total visitor spending.

Visitors from China totalled 364,100 in August, marking a 16 per cent increase on July.

Spending by international visitors to Japan is forecast to surge by 553.4 per cent in 2023 to reach 2.2 trillion, which would represent 6.2 per cent of the economy, according to the WTTC.